

Relocation Expenses Policy – External Appointments

1. Introduction

This policy applies to individuals who incur additional expenses as a result of taking up their first appointment with the Open University. This policy does not apply to existing members of staff who are moving position within the University (see Relocation Expenses Policy – Internal Staff).

2. Relocation within the UK

This section outlines the expenses payable where the individual is moving within the UK and the appointment, which necessitates a **permanent** move of home, is for a period of at least 2 years.

Where these conditions are met, relocation expenses will be reimbursed up to a maximum of £8,000 (not including disturbance expenses).

Removal expenses

Claims will be considered in respect of the following expenses subject to receipted original documents (which will be returned) being provided:

- Cost of removal (including insurance) of furniture and effects – 3 quotes should be submitted with the claim and the University will use the lowest for the expense claim, unless a self-drive van is used, in which case receipts for vehicle hire and fuel costs should be presented
- Storage charges (including insurance) of furniture and effects for a maximum period of 3 months

- Legal charges incurred in selling and buying residences (including all relevant Solicitors' bills and charges - and Stamp Duty and Building Society Solicitors' accounts)
- Estate Agents' fees on sale of former residence and Accommodation Agency fees other than returnable deposits
- Survey fees (personal, Bank or Building Society) relating to the property purchased only.

The following items are not allowable as expenses:

- Mortgage redemption charges, including charges associated with endowment mortgages
- Mortgage guarantee premiums

Disturbance expenses

A new member of staff who is obliged to simultaneously pay for accommodation at both old and new locations whilst in the process of moving can claim disturbance expenses for up to 30 weeks as follows:

- Accommodation in the new area of employment: £56 per week (7 calendar days)
- A second class return rail fare to the permanent home not more frequently than once a fortnight

Receipts are not required for these items.

In the event that a member of staff does not relocate, disturbance expenses may be repayable on demand by the University. Individual circumstances will be taken into account.

3. Relocation from overseas

The conditions, maximum amount, and details on removal expenses payable which are outlined in section 2 of this policy (relocation within the UK) also apply to relocation from overseas. In addition, claims for travel fares for the appointee, spouse, partner and children

to relocate to the UK will be considered, subject to receipted original documents (which will be returned) being provided.

However, where the total cost to the individual moving from overseas is in excess of £8,000, the Chief People Officer (or nominee) will give sympathetic consideration to paying more than the limit, but only in exceptional circumstances.

Disturbance expenses are not payable to those relocating from overseas.

4. Visa application fees

To claim these costs, staff must have a contract of employment of at least 12 months duration. With effect from 1 January 2022, the University will reimburse to an appointee from overseas, the costs incurred in connection with any visa application fees¹, subject to receipted original documents (which will be returned) being provided.

The amount of any visa application fees shall be included within any other maximum allowance permitted elsewhere under this Policy.

5. Taxation

Any expenses received (for relocation from within the UK or from outside the UK) above a total of £8,000 under this policy will be reported to the Inland Revenue and will result in income tax liability on the portion exceeding £8,000. Disturbance and removal expenses are aggregated for this purpose.

6. Period of eligibility to claim expenses

Claims should be made monthly in arrears and need to be made within 12 months of starting the role. The Chief People Officer (or nominee) may consider extending this timeframe in exceptional circumstances.

¹ The reimbursement of costs includes the visa application fee (for the appointee). It does not include the Immigration Health Surcharge (IHS).

7. Repayment of expenses

In the event of a person voluntarily terminating their appointment within 2 calendar years of their start date, the University reserves the right to seek repayment of any expenses paid, excluding disturbance expenses, as follows:

Appointment terminated within 1 calendar year from start date: 100%

Appointment terminated within 2 calendar years from start date: 50%

If staff terminate their appointment within 12 months, they will be required to repay any amounts claimed in connection with visa application fees (for the appointee) on a pro-rata basis, as advised by the People Services Hub.

8. Excluded situations

No member of staff will be eligible to claim full removal expenses where these are obtained from another source, e.g. a partner's employer.

In addition, those relocating within the UK are not eligible where:

- their previous permanent home address is less than 25 miles or an average of one hour's journey away from the new office
- the new residence is more than an average of one hour's journey or more than 25 miles away from the place of University employment (excluding London offices)
- the new residence is further away from the place of University employment than the previous residence.

9 Temporary external appointments

Where a new appointment to the Open University of up to 2 years duration is made, (including a temporary secondment from another employer), it is often not desirable or possible for those concerned to move home on a permanent basis. A special home-to-office travel and subsistence scheme is available for those situations where the new temporary member of staff is maintaining their home at a

location some distance from their place of University employment. The scheme is as follows:

Special home-to-office travel allowance

Ideally the University would expect a temporary member of staff living a considerable distance from their place of work to make one return journey to and from the University each week. Some members of staff will wish to return home at other times, but this must be weighed against the fact that fatigue reduces capacity to perform duties satisfactorily and time spent in daily commuting travel should not be excessive.

Reimbursement for travelling from home to the new University location should be claimed only for each journey actually made, the mileage rate will be the one in use at the University for the month in which the journeys are made. Where travel is undertaken by other means, the reimbursement will be for public transport fares.

Special home-to-office subsistence allowance

An allowance of £35.85 may be paid towards expenses incurred for each night spent within the vicinity of the office base.

Other information

The above allowances are taxable.

Claims made under this special home-to-office scheme should be completed on special forms for taxable expenses, available from the Staff Payments Office.

Where advice on eligibility is required, the Head of Unit (or nominee) should contact the People Services Hub.

Units are required to meet the costs associated with this scheme as there is no central budget provision. Consequently the payments are discretionary and not an entitlement.

10. Useful references

Reimbursable Expenses Policy

Relocation Expenses Claim Form – External Appointments within the UK

Relocation Expenses Claim Form – External Appointments from Overseas

Relocation Expenses Claim Form – Internal Staff/Permanent Moves

Relocation Expenses Policy – Internal Staff

Travel and Subsistence Policy